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We Confess Belief In The Doctrine Of Total Depravity

The first of the famous (or in the opinion of many people, *infamous*) five points of Calvinism is Total Depravity. Man, according to Calvinist doctrine, is since his Fall unqualifiedly bad — depraved, indeed *totally* depraved. There is said to be no good in him at all.

The doctrine of Total Depravity needs careful definition, but we shall now let stand the popular imagination of what is meant by Total Depravity. That active imagination defines Total Depravity in a very bad way, almost (some would say) as a caricature.

In contrast with thousands of nominal Calvinists who really do not believe in Total Depravity, we in PROGRESSIVE CALVINISM *do*. This is not, for us, a dead doctrine but an extremely live and dynamic one. This issue is partially devoted to one limited but important phase of the doctrine of Total Depravity.

We have occasionally thought that the subject we shall discuss in this issue is an excellent test of whether a man is really at heart a Calvinist or only a nominal Calvinist. Our "test" is concerning the Gold Standard, that is, a money system for society based on gold or that is exchangeable for gold. If you are *for* the Gold Standard you are (we acknowledge) a true Calvinist in regard to money; if you are not for the Gold Standard, you are not a true (or at least not an *informed*) Calvinist on this issue.

In the time of the Judges (of Israel, about 1,200 B.C.), there was an intertribal conflict. The story is told in Judges 12. The Ephraimites had picked a fight with the Gileadites on the Gileadite side of the Jordan (the east side). But the Ephraimites were defeated and fled. For the Ephraimites to be safe it was necessary for them to pass back over the fords of the Jordan. The Gileadites, however seized the fords.

The Ephraimites then endeavored to pass over by guile (falsehood). They denied they were Ephraimites. But the

Gileadites had a test. They said: "say, *shibboleth,*" but a true Ephraimite could say only *sibboleth.* All who said *sibboleth* were quickly slain.

Our question to every Calvinist is: are you serious in believing in Total Depravity? If you say "yes," then we have our own little test or *shibboleth;* it is: are you in favor of the Gold Standard for money in this country (and for the world)? If you answer "no," then you are a pseudo-Calvinist; if you say "yes," you are a true Calvinist — on the question of money.

We shall not go so far as to slay every pseudo-Calvinist at our ford, but any man who has answered "no" cannot be a true *and informed* Calvinist.

Let us view the subject from several simple common sense viewpoints. We shall avoid the technical aspects of money questions, which are admittedly not easy to understand or explain.

fn

Abraham And Money

One description of Abraham — an excellent one, in fact — is that he was a "livestock baron" or as the expression is in the West, a "cattle baron." But that description is not fully adequate.

Bitter and deadly fights were fought in our Western frontier between *cattle* men and *sheep* men. Sheep when grazing cut the grass shorter than cattle, thereby damaging the range for cattle. Cattle men wished to drive out sheep men.

Abraham was mostly a sheep and goat livestock baron. The reason is obvious. Cattle could not be "carried" on the semi-arid land on which Abraham's livestock grazed. Sheep and goats could.

Abraham was a genuine nomad. Today we would call him a desert sheik. Abraham did not live in the settled communities. He did not live in agricultural territory where land was tilled *and owned.* The original Amorites and also Hittites already had,

when Abraham came into Palestine, all the land worth tilling. They held title to it. Abraham's herds never grazed on that valuable land.

But interspersed in the good land was bad land and particularly on the fringes there was a lot of desert or semi-desert land. Nobody owned it. Nobody considered it valuable enough to claim it. *That* was the land on which Abraham's herds grazed. The Amorites did not care; that pastoral life (as distinguished from agricultural) was too uncertain and hazardous to interest them. They were perfectly satisfied to let nomads, a wandering tribe, get off the desert what living could be eked out of it.

Abraham then was a nomadic sheep (and goat) baron. (Of course, he also had some cattle and camels, etc. But sheep and goats must have constituted his principle wealth.) Undoubtedly he sold much mutton and wool and mohair. He became rich. The Hittites considered him a "prince." In fact, he developed a very fine reputation. The sons of Heth said: "Thou art a prince *of God* among us," a reputation any man might admirably desire to have.

Abraham, therefore, had no land. His assets consisted in livestock and their products, pastoral gear, and gold, silver and jewels.

Eventually, his wife, Sarah, died. She needed burial. Now the desert sheik, who had wandered most of his life over thousands of square miles of semi-arid and valueless land wanted a burial site in a settled community. He wanted as burial site land near the city of Hebron belonging to a man named Ephron, a Hittite. This land had a fine cave on it, known as the Cave of Machpelah. As a burial place for his wife and eventually for himself, Abraham went into the city of Hebron to bargain for the land.

We shall by-pass the interesting details of oriental bargaining. The price was set by Ephron at 400 shekels of silver. (The price is considered by scholars to have been outrageously high; but Abraham paid it.)

This is how the deal was closed (Genesis 23:15):

> And Abraham hearkened unto Ephron; and Abraham weighed to Ephron the silver which he had named in the audience of the children of Heth, four hundred shekels of silver, current *money* with the merchant.

We wish to consider briefly the "weighing" of this "money" and the description given of it, that it was "current . . . with the merchant." fn

What Is Money?

A truck farmer has tons of cabbages for sale. An automobile dealer has an automobile for sale. A deal can be made by these two by means of bartering the cabbages for one automobile. But the trouble is that the automobile dealer cannot eat all the cabbages himself and must then get rid of a big surplus of cabbages.

Organized societies have all developed smoother and easier methods to trade goods than just barter. Most transactions are consequently "for money." Goods are exchanged for money, and money is exchanged for goods.

Money is then a "medium for exchange." The existence of money makes it much easier to exchange goods.

In an earlier issue we have commented on the benefits to society from "division of labor." (See March 1956 issue, pages 84-87.) The principle of "division of labor" means specialization in producing *one* item (and in our day it means mass production of single items). The result is that every producer has huge surpluses of what he produces (beyond his own needs for personal consumption). He must then barter his surpluses or use money. Bartering being very cumbersome, goods are exchanged for money. Money, therefore, is something very important for society.

Money being so convenient for facilitating buying and selling, it is important to consider carefully what money is and what makes money good and what makes money bad.

If we had to choose two subjects regarding which there has been more continual crookedness — dishonesty — than on any

other subjects, we would select these two: (1) money; (2) estate settlement matters, when a man who has accumulated assets is dead and no longer can protect the possessions he accumulated from wolves. The big time crooks work on money and probate matters.

In our day, dishonesty about *money* is not in exactly the same form as in Abraham's day. The specific money problems that existed in Abraham's day have been fairly well solved by modern monetary techniques. Consequently, people do not manifest anxiety about "money" as Abraham and his contemporaries did. Modern man, particularly modern Americans, have been lulled into a false sense of security on money matters. Modern man is like the boatmen on the Rhine who were said to be bewitched into lack of care by the siren song of the lorelei; the end is shipwreck and great loss.

Everybody, churchmen and nonchurchmen, take "money" for granted. We take it for granted, because money is coined or printed by the *government.* Modern man, bewitched by anti-Calvinist doctrine, *assumes* that a man who becomes a bureaucrat suddenly becomes trustworthy. His public "office" relieves him of that grave ailment known as Total Depravity!

Economic society in Abraham's time was not so well-organized technically on money matters, and Abraham was not so naive about money matters as a modern Calvinist.

Abraham had accumulated great wealth. He had all the earmarks of a modern big businessman — a business tycoon. (We shall not enumerate the many evidences that he was a remarkably astute businessman which are specifically mentioned or which can confidently be inferred from what Scripture relates about him.) In any event Abraham had 400 shekels of silver, described as

"current *money* with the merchant."

The word *money* is in italics, which indicates that the original Aramaic did not contain this word. The exact reading should therefore be:

"current with the merchant."

Scripture here describes a fundamental fact, namely, *money* is money only *when it is accepted as money.* That is what the word "current" in the quotation means. Only that which is accepted as "current" — that which is accepted as being able to be passed on to the next man — is money.

Abraham obviously was no fool. He was able to weigh out 400 shekels of good coins, acceptable in trade, "current with the merchant." What does that conclusively prove? This: this rich and wise old sheik had not let buyers of his wool, beef, hides, skins, mohair, butter, cheese, etc., pass on some bad coins (bad money) to him. He had undoubtedly rejected all bad coins that were offered him.

It is to be noted that Ephron, the seller, also examined the coins that Abraham presented. Otherwise, there would be no point in mentioning that Abraham bought the one-acre grave-lot of Machpelah for silver "current among the merchant."

Probably Abraham was a good assayer, or had a good assayer in his employ. In those days there were two prevalent ways of cheating with money — the base alloy in the coins was excessive or the weight of the coins was deficient. It should be noted that Abraham's coins did not have an excessive alloy, and secondly that the weight was verified for the aggregate number of pieces. Scripture says (our italics):

"and Abraham *weighed* to Ephron the silver . . ."

There are Calvinists who undoubtedly believe that we should accept the money with which the government provides us — small coins, bills, etc., — *because* the government provides it and declares that it is so-and-so. They undoubtedly reason that this acceptance of government money is required because of the instructions in Scripture; they recall what the Apostle Paul wrote in Romans 13:1-2:

> Let every soul be in subjection to the higher powers: for there is no power but of God; and the *powers* that be are ordained of God. Therefore he that resisteth the

power, withstandeth the ordinance of God: and they that withstand shall receive to themselves judgment . . ."*

Taking that statement in isolation and naively might indeed persuade those who are not too clearheaded that that should prevail about money what a government says about it. But such is not the case. What a government says about money means practically nothing *except it be enforced by coercion and police power* — which can be shown positively to be in violation of the Decalogue.

Abraham knew that it was not what somebody said about his silver coins that made them good money. Some of those coins may have been minted in Damascus; others in Ur; still others in Egypt. What those governments said about those coins was not necessarily reliable. The real question was: what was the quality and weight of those coins *in fact?*

Scripture casually but clearly indicates what is the real touchstone for good money, namely, that it is:

"current with the merchant."

In our day we would say "current with the people." It means the same thing.

What the government of the United States says about its "dollar" means nothing outside the borders of the country. International trade — and Abraham was certainly an extensive international trader — is conducted on the basis of gold (or other precious metal) and not on the paper money of a particular nation.

All the guns and all the bombs of any government cannot make its money worth more among free nations than what the international "merchants" or the "people" of the world consider it to be worth. Money is money *only* when it is *accepted.* Money has *value* only for those who accept it. At how much they value it is their decision and not the decision of any government.

The question then arises: what do domestic citizens and businessmen think of that money? And what do foreign citizens and businessmen think of that money? It is they — the people — who determine what is acceptable as money and what its value is.

*This text is probably subject to more consistently ridiculous and unrealistic misinterpretations than any other single text in Scripture.

What a government says about its money is valid only (1) if true, or (2) if the public *believes* it to be true. The latter situation — "if the public *believes* it to be true — can only be *temporary,* if it is not the real truth. Eventually, everything depends on *truth.* Falsehood cannot permanently prevail.

Abraham lived in a society and a time and did business in a manner which indicated he was always on the alert about *money,* that is, about the honesty of money. Abraham accepted only coins of proper weight and fineness.

It has always been a great comfort to the writer that this man, Abraham, selected by God to be the "founder" of the Hebrew religion, was not a fool but obviously intelligent and practical. His other history in the field of religion (as distinguished from the field of ethics) is therefore also probably reliable. If Abraham had been an impractical man he might also have been an unreliable man in his report of his dealings with God.

Money, then, is a medium of exchange the value of which is determined by what people think of it and not by what the creator of the medium says of it.

We propose to show in what follows that Abraham about 4,000 years ago was more astute about money than present-day members of Calvinist churches. fn

The Best Way To Cheat About Money

Society, we have shown, cannot rely on barter for exchanging goods; society needs money. That money should be reliable.

The inference might be that the most reliable men would certainly be appointed to make money reliable. But that is erroneous. The attempt to determine what is to be "money" and what is to be its value was instead taken over by those who were powerful, the strongest and not the most honest; or so it seems.

The characteristics of good money are that it be (1) valuable in itself but not bulky; (2) divisible into various exact sizes; (3) nonperishable; (4) not corruptible without probability of discovery; (5) not-to-be increased in quantity at will except at a cost about equal to its value.

The two common precious metals, gold and silver, gradually came to be accepted as most suitable for money. They came closest to meeting the specifications just listed.

The selection of gold and silver as money was only one step in the solution of the problem; it by no means solved the whole problem. The opportunity for cheating was not ended by the mere use of these precious metals.

The grand seigniors — the kings and princes — took over the coining and minting of gold and silver. But immediately they took their seigniorage — their fee for the service. Their charges usually substantially exceeded the cost of the service. Base metal was introduced. The value of the money was debased.

Further, the almost universal practice developed of "clipping" coins, filing or knicking off part of the metal. That is why Abraham "weighed" the silver to Ephron of the sons of Heth.

Modern coining methods and better assaying procedure finally brought most responsible governments to putting out only reliable coins. At least *metal* coins had become honest. A new era seemed to have arrived. It was no longer a ground for anxiety that money would be dishonest.

This expectation — or hope — proved to be an error. We shall mention a few of the tragic instances in recent monetary history.

1. *The French Revolution.* The leaders of the Revolution seized the properties of the Roman Catholic church. The Revolution needed money and so it was decided to put out some money — *assignats* — "secured" by the property which had been seized. The "state" was considered richer by the value of the

seized church property. Less *assignats* would be printed than the value of the church property; therefore, the *assignats* were alleged to be as good as gold. So they said. But the Revolution soon needed more money. It was then decided to print more *assignats.* Everyone with judgment will know what ultimately happened. The Revolution put out so many *assignats* that they became completely valueless. What the French government said about the *assignats* meant nothing. *Assignats* were no longer "current . . . among the merchants." Nobody would accept *assignats; therefore,* they became worthless. Read the booklet entitled "Fiat Money Inflation in France" by Andrew Dickson White, in his lifetime president of Cornell University and a distinguished diplomat. (A copy of this enlightening book can be obtained for a very modest sum from the Foundation For Economic Education, Irvington-on-Hudson, New York, U. S. A.)

2. *Original Continental Money Of The American States Rebelling Against England.* The thirteen states rebelling in 1776-1783 against England put out paper money. The individual bills were known as Continentals. The more Continentals the states put out, the less valuable they became. Eventually, they became completely valueless. This is the origin of the popular expression, "Not worth a Continental."

3. *Confederate Money.* The Southern states in the rebellion of 1861-1865 issued Confederate money. It deteriorated steadily and became valueless.

4. *Greenbacks.* During the war of 1861-1865 the Northern government printed greenbacks. They steadily went to a serious discount. Only in 1879 was a law passed which brought them back to full value.

5. *The Great German Inflation Following World War I.* The German government, known as the Weimar Republic (a socialist government), printed more and more German marks in larger and larger denominations. In 1923 the German mark became valueless.

6. *The French Franc.* Although the decline has been relatively gradual, the French franc is today worth only 1/80th of its value before World War I. It was then worth twenty cents; it is now worth one-fourth of one cent.

7. *Other Currencies.* They have all declined in value since 1914.

8. *The Present American Dollar.* This dollar is worth about 38% of what it was worth in 1914 before World War I. It is steadily shrinking in value *and will steadily continue to do so.* The basis of that forecast is "Calvinism" — that is, that part of Calvinism which consists of the proposition that man is totally depraved. From that major premise it can be concluded without any chance of error that the American dollar is on its way to steady depreciation of value unless it is restored to a gold basis.

It will be noted that all the examples which we have cited are of *paper* money and not of gold or silver coin.

How did we get away from the precious metals of Abraham's day to mere *paper* money? And is not the paper based on gold? We aim to answer these two questions.

The greatest way to cheat about money it to let the government substitute paper for precious metals. And this great deception is approved by many churchmen. They quote Scripture in defense of their blessing on this iniquity. They quote the Apostle Paul:

> Let every soul be in subjection to the higher powers: for there is no power but of God.

Those "powers" are governments. They are notoriously, continuously and deliberately dishonest about money. They are perpetrating the most monumental deception and theft possible. And according to some people this must be tolerated — and approved — because "*every* soul" must be in subjection to the government.

PROGRESSIVE CALVINISM does not acknowledge the validity of that position. fn

Adam Smith; Calvinism; The Reasoning Of A Powerful Mind; And A Colossal Error

Adam Smith

Adam Smith is the most famous economist who has ever lived. We are not saying he was the greatest. Certainly, however, he was one of the greatest.

All "economics" before Adam Smith becomes primitive and puerile compared with what Smith did with economics.

All subsequent economics has been indebted to Smith. The economics of the capitalist and the economics of the socialist are both largely based on Smith.*

Smith was a Scotsman. He was born in 1723; he died aged 67 in 1790. He was a bachelor. He traveled a little — to France, but most of his life he lived quietly in Edinburgh, Scotland, with his mother during her lifetime.

Smith's great book has the title, *The Wealth Of Nations*. It is one of the classics of the English language.

This book promoted free trade between nations. Smith knew that you could not do yourself much good by trying to hurt the other fellow, just because he did not seem to be your neighbor because he was far away. Smith also realized clearly the great advantage that there is in that manifestation of brotherly love which consists in the "division of labor" and *free* exchange, unhampered by tariffs, customs, quotas, etc. The passages in his book where he covered these subjects are classic.

Smith also realized clearly that increasing the amount of money does not make a community more prosperous. In another famous passage he destroys the idea that there is a money shortage. In contrast to Smith nearly every present-day banker, businessman, professional man, bureaucrat, farmer, labor union leader, etc., believes that an increase in the quantity of money will contribute to prosperity. Smith's argument against this fallacy is conclusive.

*That such diverse systems can be based on Smith is conclusive proof that Smith was himself confused and ambiguous on some subjects.

But with the hard iron of his thought there is also some crumbly clay. On the basic question of economics — *value* — Smith was so confused that capitalist and communist alike can appeal to him. They do. Karl Marx merely took a phase of Smith's thought on value and labor in order to develop his absurd labor theory of value.

And Smith also was wrong in some of his ideas of money. We shall come to that later.

Smith and Calvinism

Calvinism is traditionally capitalist. Calvinism was especially strong in Scotland in Smith's day. It might then be expected that Smith was a Calvinist.

Not at all. He had a positive aversion to Calvinism. He did not like the pattern of Calvinist ideas. Calvinism may be, as is alleged, sympathetic to capitalism. And Smith may have given capitalism its best expression, so good in fact that it started England and the Netherlands and then other countries on the great road to prosperity, by means of what is known as capitalism. But the relation of Calvinism to capitalism and of Smith to capitalism does not establish a friendly relationship between Smith and Calvinism. Let us simply say that Smith acutely disliked Calvinism.

A "Rational" Conclusion Of Smith Which Ignored A Calvinist Principle

Smith, living quietly in Edinburgh, let his powerful mind roam over ideas on money. He came to the conviction that there was a lot of waste about money. His reasoning was about as follows:

1. Money is necessary to facilitate exchange. You cannot really "get along" without money.

2. Gold (and silver) is good for money, but it is also good for the "arts" (for use in jewelry, etc.).

3. Every ounce of gold is got only at great cost of prospecting and mining.

4. Why not shift over to paper money instead of gold? It costs a lot less to print paper than to mine gold.

As far as it goes there is nothing wrong with this reasoning. Instead of having a lot of adventurers prospecting for gold, and instead of conducting costly mining operations for gold in poorly accessible mountain areas, simply print paper. A small and safe effort is substituted for a large and difficult effort; there is, therefore, an obvious saving.

The apparent "rationalism" of this reasoning is good, but nevertheless there is a collossal error in it. Smith would have done well to have accepted the dour doctrine of the Calvinists that man is *totally* depraved.

Smith's Colossal Error

We cited several examples of the fate of paper money — the paper Continentals of the original thirteen states of the United States; the paper *assignats* of the French Revolution; the paper dollar of the Southern Confederacy; the paper greenbacks of the northern states; the German paper marks of the Weimar Republic in the 1920s; the French franc today; the present American dollar. These were only examples. All paper money, in all the history of mankind, has *always* failed, or is in the process of failing, and always will fail — Smith and any other thinker, Calvinist or non-Calvinist, to the contrary notwithstanding.

Smith's error consisted in this: he had as much confidence in men as in the immutable laws of nature governing dead metal — gold. If Smith had been a good Calvinist he would on the question of paper money never have perpetrated the collossal error of which he was guilty.

What is the situation regarding *paper* money? It is this: the quantity can be increased at will. There will always be pressure by the public to increase the quantity of money. Politicians seek popularity and votes. They are rewarded for doing what the public wants — they are re-elected. No politician, no statesman, no philosopher, no king, no prince, no preacher, no priest —

no man or woman has ever been able permanently to stem the "demand" for money — if the money could be increased at will — running the printing presses. Therefore, without exception all "paper money" has depreciated. Never in the history of mankind has "paper money" been found to be safe. The reason is that human nature is seldom wise enough to restrict the quantity of money, and never strong enough to resist pressure for more money.

Smith's reasoning conflicted with experience. Reasoning that conflicts with experience should be questioned and rejected. In the ages prior to Smith *only the precious metals* had been found to be reliable for money. Abraham did not rely on printed paper but on silver and gold. But Smith reasoned to the very bad conclusion that society could make a gain by saving gold for the arts and using only paper money.

Smith's reasoning also conflicted with the plain teaching of Scripture, namely, that men are neither wise, nor good, nor noble. Hence, they are unreliable. Any money (of paper) based on the integrity (?) of men will certainly fail. Only money based on some dead inanimate thing as gold, the quantity of which cannot be arbitrarily increased, is safe as money. The laws of nature and dead things are far more reliable than men.

It is true that the quantity of gold is increased by sudden discoveries as in California, in South Africa and in the Yukon. But these are only negligible fluctuations in quantity compared with the fluctuations in the quantity of paper money. *Relatively* gold is the only satisfactory money that exists.

We can now return to our little test whether a man is a Calvinist, namely, our little *shibboleth,* towit: are you for the gold standard? If you are, you are in one specific instance under the general doctrine of Total Depravity genuinely Calvinistic.

Not only are you Calvinistic, you are also right. fn

Does God Make Money Reliable By Means Of Bureaucrats Or Cure Scrofula By French Kings?

It is a theoretical *possibility* that when a man becomes a public officer, a bureaucrat, he suddenly acquires qualities which justify his tinkering with money and the quantity of money. But we doubt the *probability*. Merely becoming one of the "powers that be" does not change the quality of a man's judgment nor add to the strength of his character. Kings, princes, presidents, legislatures, governors, judges are all as totally depraved as the rest of mankind.

We are reminded of the special quality with which the anointment of the kings of France was supposed to endow them. We quote from the essay entitled "Laissez Faire or Dictatorship" in *Planning For Freedom* by Dr. Ludwig von Mises, page 43. Mises writes:

> The French royalists contend that the solemn consecration at Rheims conveys to the King of France, anointed with the sacred oil which a dove from Heaven brought down for the consecration of Clovis, divine dispensation. The legitimate king cannot err and cannot do wrong, and his royal touch miraculously cures scrofula. No less consistent was the late German Professor Werner Sombart in declaring that *Führertum* is a permanent revelation and that the *Führer* gets his orders directly from God, the supreme *Führer* of the Universe. Once you admit these premises, you can no longer raise any objections against planning and socialism.

There is as much prospect that a bureaucrat, as one of the "powers that be," will be honest about money just because he is a bureaucrat, as there is probability that the anointment of the kings of France enabled them miraculously by touch to cure scrofula.

Nor is *Führertum* a permanent revelation, nor does a *Führer* get his orders directly from God even though he (Hitler) was one of the "powers that be."

The control of money is no safer in the hands of a bureaucrat than in the hands of an ordinary person. All men are unreliable as regulators of money. Installation into office and the oil of anointment do not change a man. He was, is, and will continue to be totally depraved.

Under the circumstances there is only one thing to do — trust in the laws of nature as they affect the quantity of a dead inanimate thing, gold. It is better to trust in the laws of God in regard to nonhuman things than to depend on the nature of man.

fn

William Jennings Bryan And Demagoguery About Money

Money can be based on one or more than one standard: (1) gold only; (2) silver only; (3) both gold and silver, a system known as bimetallism; (4) paper.

Toward the end of the Nineteenth Century the quantity of silver became so great that it was no longer a good medium of exchange. At the same time there developed a great controversy in this country regarding bimetallism. The Republicans favored money based on gold only; the Democrats favored a bimetal system — money based on gold and silver together, with one ounce of gold equal to sixteen or so ounces of silver.

The Republicans were right on this issue. The writer admits that, although his allegiance has generally been to the historic Democratic party (not the present Democratic party which has reversed nearly all the historical principles of the party).

William Jennings Bryan led the mistaken campaign for bimetallism. That he was wrong is conclusively indicated by the fact that bimetallism is not working anywhere and no respectable monetary expert advocates it today anywhere in the world.

Bryan, it will be remembered, made a keynote speech at the Democratic convention in 1896, in which he used the notorious

metaphor that this country was being "crucified on a cross of gold." Bryan's religion, in this instance, had a very unfortunate effect on his rhetoric.

The motivations of the bimetallists was to obtain votes from the silver-producing states, and to promote the cheapening of the dollar — silver obviously becoming available in excessive quantities for monetary purposes.

The purpose of cheapening the dollar had the ultimate purpose of defrauding creditors and making a gift to debtors. This is a piece of dishonesty which does not have the desired effect as will be explained in a later issue of PROGRESSIVE CALVINISM. As Scripture says: dig a pit for your enemy and you fall into it yourself.

It is gravely to Bryan's discredit that he was so uninformed and so much of a demagogue that he would favor an unsound monetary program in order to obtain votes. His scheme did not work. Personal devoutness is no excuse for error in public policy or the promotion of a public dishonesty. fn

The Present Paper Money Of The United States

In 1933 a revolutionary event occurred in the United States. The United States went "off" the gold standard. It became a crime to possess gold coin or gold bullion.

Instead of a gold standard, the United States has today a paper-money standard.

The people of this country are not protected by incorruptible gold. They are "protected" only by the "integrity" of politicians who welcome political pressure. That gives them an opportunity to please their constituents. Pleasing their constituents gets them votes. Pleasing their constituents in part consists of steadily increasing the quantity of money.

All paper-money systems in the long history of mankind have failed. There has always been a persistent depreciation in the value of such paper money.

If monetary history teaches anything, it teaches that the dollar will go down and down in value, probably at an increasing (although varying) rate of depreciation.

A part of the process has already occurred. The dollar today, using government index numbers (for whatever their value may be) is worth about 40% of the 1933 dollar.* And the end is certainly not yet.

The present monetary system in the United States is, therefore, not a "Calvinist system." A Calvinist monetary system would not place reliance on sinful and weak men who are evaluated as being "totally depraved" according to Calvinist doctrine. Instead a Calvinist monetary system would be based on inanimate, incorruptible gold or something equivalent thereto. (It does not necessarily need to be *gold* but it must be something like gold; and certainly not corruptible men.)

For a hundred or more years up to 1914 the world was generally for once on a gold standard. Those 100 years have been the years in which there was the greatest increase in prosperity in the history of mankind. Really honest money contributed toward good business. The general statement of Scripture was again corroborated: obey the commandments of God (in this case *honesty*) and you will be rewarded. fn

The Present Money Of The United States Is Worse Than The Ancient Money Of Abraham

Money conditions today (1956) in the United States are already worse than in Abraham's time and place.

You can have, first, really good money, say gold with modern techniques of coinage, maintenance of quality, and assaying.

You can have, second, a doubtful money, made of a precious metal, but regarding which you must be on your guard concerning questions of fineness and weight. It was this money of "second-

*This is the year of devaluation. However, using this year introduces (unintentionally) a cyclical factor which lowers the percentage somewhat.

class quality" which Abraham used. The character of that money which made it potentially hazardous for him had the beneficial effect of keeping him constantly on his guard. Under the circumstances carelessness about money might have caused Abraham a partial loss, but it was practically impossible for him to have a total loss.

You can have, third, the very poorest kind of money possible, namely, just *paper* money, not convertible into gold by citizens, and not related to gold in quantity, in fact, a money increasable in quantity according to the wishes or the weaknesses or the foolishness of mere depraved men. It is this kind of money to which we have sunk in the United States.

In 1933 the United States went "off gold." To go "off gold" means to have paper money. To have paper money means that you can increase the quantity at will. To have a paper money means that you have nothing behind your money except the judgment, the integrity and the freedom from political pressure of politicians and bureaucrats. Your trust must be in mere men. Your trust will be disappointed if men are totally depraved. Vital Calvinism (not dead Calvinism) has always said that men are totally depraved.

Here is an issue involving public morality, namely the issue of sound money, on which the general principles of Calvinism could have shown all the ministers in the Calvinist churches the way to an answer which would have made them public leaders in morality.

The reasoning from basic Calvinist principles is very simple and very obvious. Here are the steps:

1. The integrity of money should not be made to depend on men who are totally depraved, if it is possible to depend on natural laws which are not corruptible.

2. Paper money depends solely on depraved men and is not supported by any natural laws which frustrate corruption.

3. Therefore, there should not be a paper money system.

The United States has now had a paper money system for twenty-three years. In all that time the writer has not heard the

whisper of criticism from any Calvinist leader in public or in private conversation against a system which flouts a basic Calvinist principle, and which eventually will lead the United States to economic ruin and possibly to socialism. Not one clear, critical voice!

Such a voice we realize would be a "voice crying in the wilderness." It would probably not be heeded. Or to change our reference, it possibly might have no more effect than the preaching of Noah over a period of 75 years. But that does not reduce or eliminate the requirement of testifying against evil. It is not the men who were judged to be right by their own era, but the men who were proved right before the bar of history, men as Noah and John the Baptist, whom history accords a niche of honor. Calvinism will get no fame from failing to apply its principles or from failing to testify against evil.

"But," says some reader, "granted that a paper money system depends on men who are weak and depraved and grant that that is dangerous, you have not yet proved that it is morally wrong and that any damage has been done or will be done; all you have made clear is that paper money depends on men, that men are prone to be weak, and that Calvinism says that men are that. But what actual damage has been done? What is your evidence?"

All that must be conceded. Let us first consider how paper money *can* violate the moral law. Thereafter let us see if the adoption of paper money in the United States has already violated the moral law. And, finally, let us take a look at the chief victims. fn

How Paper Money Can Violate The Moral Law

To make a complex money problem easily understandable we shall utilize a simple illustration of a very simple society consisting of ten men or ten families. This group is a "society," that is, they coordinate together, they help each other by division of labor and specialization, and by exchange of their surplus products. They also have money, say dollars to facilitate the exchange without being limited to clumsy barter. Here is our society:

Individual Or Family	Occupation	Produces
A	farmer	5,000 bushels of wheat
B	tailor and cobbler	500 suits and shoes
C	preacher-teacher	services
D	builder	5 buildings
E	printer	5,000 magazines
F	doctor-lawyer	services
G	metal worker	1,000 kegs of nails
H	miner	500 tons of coal
I	merchant	warehousing, etc.
J	oil producer	1,000 gallons of oil

Each of these also has some "money" to facilitate exchange. Say that each person has $1,000 in cash as his money fund. The total will be $10,000 in the community.

There was a century ago a famous French economist named Jean Baptiste Say. Say gave his name to Say's Law, which is that goods create demand. The surplus wheat of the farmer constitutes his "demand" for suits, shoes, services, etc. Say's Law states that there may be an excessive (nonprofitable) surplus of some economic goods but that there NEVER is in this finite world a *general* surplus of economic goods. Say's Law is not 85 percent correct nor is it basically incorrect as Keynes* falsely alleged and misrepresented. Say, in fact, is in simple agreement with what Moses taught in Genesis, namely, that there will ALWAYS be a welfare shortage of some goods, that is, that there cannot be GENERAL overproduction. (This idea of Say is neither understood nor is the teaching of Moses in this regard accepted by many intellectual and moral leaders in Calvinist churches.)

The tool by which anyone, say a farmer, for example, expresses his demand for goods is *money.* He sells his surplus wheat for money, and with the money creates an effective demand for

*John Maynard Keynes, well-known economist, who died a few years ago. Keynes's ideas are taught in most denominational schools. Every thing that Keynes taught violates the principles of the Christian religion. His economics are, also, merely notorious and long-exploded fallacies dressed up in a new lingo and a mathematical jargon.

oil, nails, services, clothes, coal, etc. In the course of the year all the surpluses of each specialist in our society go to the other nine members. Everything is voluntarily exchanged. "Markets" are established for goods and services which conform to the Biblical law of noncoercion (meekness).

Now let us introduce a new element. One of our society members, say the printer, Mr. *E* lives "beyond his means" or he wishes to live "beyond his means." He says to himself: "I have available to spend what I get for my surplus magazines plus my thousand dollars cash. But I wish to spend more. I'll just print myself an extra $2,000." He quickly prints the "money."

Mr. *E* now enters the market with $2,000 extra cash. He is a free and active buyer. He buys more than his share of wheat, clothes, nails, oil, services, etc. Before the others know what is happening *E* has bought so much that the others discover there is a residual scarcity for them. They wish to buy and toward the end of the year prices rise noticeably. What finally becomes clear is that *A, B, C* and all the rest *except E* did not get their share of goods in proportion to their own production. Somehow or other, so they discover, an extra $2,000 of "money" came into the situation. No services were performed to get that $2,000, and consequently in the final exchange of *goods* (as distinguished from *money* which is only a medium of exchange) they have been robbed. Somebody injected 20 percent extra money and robbed the others of part of their natural share of the goods in that year.

This is theft. It is a violation of the Eighth Commandment in the great Decalogue of Moses which was the glory of ancient Israel which reads:

"Thou shalt not steal."

In our simplified illustration the man who printed extra money (*paper* money, by the way) was a thief. Anyone who is authorized to print paper money is authorized to steal if that printing *increases* the quantity of money and is used to make good someone's deficit or one's own wish to "live beyond his means."

Putting out an *increase* in paper money is, therefore, plain theft.

A reader may respond to that by saying: "Newly mined gold is a net increase (at least potentially) of money." Indeed it is, but that extra money *will be obtained only at a cost about equal to the value of the gold.* The supply of gold money will therefore never be fantastically increased. But the potential increase of paper money! Consider the *assignats* of the French Revolution; the Continentals of the rebelling American colonies; the paper marks of the German Weimar Republic; the practically valueless present-day French francs; the American dollar of declining value!

What the society we have described needed was a money which was not corruptible by means of arbitrarily increasing its quantity. What this society needed was some Calvinists who were *practical* and *true* Calvinists in that they chose a money system which did not tempt men to theft but fortified the feeble inclination which men have to be consistently honest. fn

How The United States Government Has Violated The Moral Law In Regard To Money

Is there actually any theft going on in the United States since the country went "off gold" in 1933 and went onto a paper money standard?

Let us return to our simple illustration. We made no provision in it for a policeman, or a government or thousands of other occupations. In the complex society of the United States the situation is far more complex than our illustration. But our illustration nevertheless holds good. Who is in fact the "printer" of evil money in the United States? That "printer" is the government itself.

We said the "printer" lived beyond his means or wished to live beyond his means. That is exactly what the government of the

United States has been doing — living beyond its means and printing bogus money — thereby robbing various members of American society.

The extent of this "living beyond means" is roughly indicated by the amount of the increase in the debt of the Federal government. This debt has increased beginning in 1936 as follows:

Year	Amount of Net Increase In Federal Debt
1936	$ 3,848,000,000
1937	2,881,000,000
1938	2,153,000,000
1939	2,522,000,000
1940	3,078,000,000
1941	12,981,000,000
1942	50,150,000,000
1943	57,707,000,000
1944	64,753,000,000
1945	47,484,000,000
1946	(18,965,000,000)
1947	(2,249,000,000)
1948	(4,100,000,000)
1949	4,330,000,000
1950	(422,000,000)
1951	2,711,000,000
1952	7,972,000,000
1953	7,777,000,000
1954	3,582,000,000
1955	2,019,000,000
Grand Total in 20 years	$250,212,000,000

Source: *Survey of Current Business*. Decreases in debt indicated by parentheses — ( ).

We ask: has anybody of great eminence in the Christian Reformed church ever boldly raised his voice against this monstrous increase of debt with its almost certain implication of theft?

It should be emphatically stated that there is no difference in principle between this $250,000,000,000 and the $2,000 by the printer in our illustration. All kinds of alleged differences will be advanced, such as, for example, that some of the bonds which the government issued to cover the debt increase went into "savings" and not into the "monetary structure." Granted; but that does not essentially change the picture. There are other unsound and unscriptural money policies authorized by the government which partially offset that part of the Federal deficit that went into "savings." The fact is, on the basis of other data also published by the United States government, that "money" increased in the 20 years in question by $109,000,000,000 — from $32,000,000,000 to $141,000,000,000. (This figure is (1) Currency in Circulation plus (2) bank deposits subject to checking.)

It will also be alleged that it is desirable to increase money as the physical volume of transactions increases. This brings up all the complex issues about which there was dispute in the famous controversy in the nineteenth century between the Banking school and the Currency school concerning money. But that question can only be resolved largely according to the ideas of the Currency school, towit, additional money is *not* needed to finance additional physical volume. The alternative to printing paper money is a natural decline in prices. F. A. von Hayek has written somewhere that our age has an irrational fantastic fear of declining prices. But this is an economic neuroticism. *The only way that the law of brotherly love can be effectuated in a complex progressing industrial society is by means of* DECLINING *prices.* It may take us a long time to find the opportunity to explain this but, D. V., we shall some day. And such declining prices will prove to the beneficent for everybody.

Yes, there is in Washington today one of the greatest powers that has ever existed — one of the Apostle Paul's "powers that be." That "power" is by far the greatest thief and the most insidious and the most destructive thief in the United States. Compared to this thief all other arch criminals whether in business or the labor unions or in corrupting industries are angels of light. fn

The Suckers— The Victims Of A Dishonest Money System

We turn to the saddest participants in this collossal theft — the victims.

We have a friend. He is competent, thrifty, industrious, conservative. He is now retired.

His fatal mistake has been that he is *conservative*. Whenever a country is on *paper money* standard conservatism is folly. By "conservatism" we mean the investment of savings in life insurance, mortgages, bonds, cash, receivables. Our friend invested his hard-earned savings in government bonds. Safe, you know.

Safe! The idea is ridiculous. All that an owner of such a bond gets back is the same number of dollars plus meager interest. The purchasing power of the principal is shrinking faster than the interest is accumulating. The interest rate is really a *minus* interest rate.

My friend thought that he had saved enough for his old age. But he is bitterly disappointed. The interest on the bonds is inadequate to pay for rising living costs. And so my friend, almost seventy, has had to go back to work. He has been robbed — insidiously. The thief is a big government in Washington — one of the "powers that be" that simple-minded Calvinists say should be aided and abetted in all that they do because their "power is from God!"

Malthus, of population fame, long ago made clear that the principal victims of inflationism (in this case putting out additional paper money) are those who are retired. Those presently working are hurt, too, but they at least have an income rising somewhat with advancing prices. The retired have no increase in income from any investment which is a mere call on dollars, such investments as were just mentioned.

My friend is no isolated case. Consider the preachers in the Christian Reformed church. In the past twenty years the cost of living has gone up more than two times. But the salaries of preachers have gone up less than two times. The preachers are

steadily losing economic position. The day will come when the pay is so poor and the profession so unfavorably regarded that competent young men (who are willing to be active and to work) will not be willing to enter the ministry. The ministers will have no one to blame more than themselves. When did they protest against the obvious and vicious evil which perpetrated an injustice against themselves and against many others? They need not plead their personal case; let them merely promote *general* public honesty about money; that will also protect them.

What is true of preachers is even more true of Christian school teachers and teachers generally. They have fared even more poorly. Looked at from a money viewpoint teaching is a wretched profession to enter. Yes, there is an eventual modest pension. This pension is almost certainly invested largely in bonds — which are steadily shrinking in purchasing power. Shot by an assassin's bullet, dying Prince William of Orange (the Silent) prayed: "*Mon Dieu, ayez pitié de ce pauvre peuple*" (My God, have pity on these poor people.) The Prince can well be paraphrased: "My God, have pity on these poor teachers."

The Christian Reformed church has, of course, an intellectual staff in the form of its college faculty. This staff should undoubtedly know the score. The staff consists of philosophers, sociologists, economists, political scientists, historians, *litterati* and the intellectual elite of the denomination. But we have not heard any remark from this intellectual bodyguard of the denomination regarding the moral perversion involved in the paper-money standard of the United States. But they are being served with their own coin. The basic teaching of the school is that the policies of the recent and present governments of the United States are meritorious, and are to be obeyed as the will of one of God's "powers that be." Again we paraphrase William the Silent: "*Mon Dieu, ayez pitié de ce pauvre clercs*" (My God, have pity on the poor intellectuals).

Who are the victims of the unsound, un-Calvinistic money policy of the United States? The real Calvinists and the wise? Not at all. They are well enough informed to know what is going on and they are astute enough to escape a wicked policy in a way so that they are not injured. They see the pit that has been dug

for them to fall into. And they see the diggers of the pit — the intellectuals who fall into the pit themselves. Indeed, Scripture is highly reliable: God is not mocked; not even by the United States government nor by those who neglect Biblical teaching.

It is the common man, the man who does not understand and cannot be expected to understand complex money questions who is injured by this public iniquity. It is also the widows and the orphans and the small saver who is practically restricted in his or her investments to savings accounts, building and loan association deposits and to bonds who is being robbed. Scripture says that "your sins will find you out." If that is true, this money iniquity will eventually come to light. Then the common man and all the victims will turn on the moral leaders — preachers, teachers, intellectuals — and ask an accounting. "Why," they will ask, "did you not protest against this iniquity and warn us? Why did you prattle about obeying the powers that be, when those powers that be were violating the commandment of God?" What answer will the sanctimonious churches give in that day? They will in fact be discredited. People will turn their back on an allegedly moral institution which history reveals as having been stupid.

Supplementary Note On Money

The foregoing is not in any way exhaustive in regard to problems about *money*. It is, in fact, only a most elementary discussion of one ethical phase of money. We shall, we hope, be able in future issues to write much more about money. But this will have to suffice for the time being. fn

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We occasionally get insulting or threatening letters. Why there should be so much hatred is a mystery to us, except that others hold violently contrary ideas. We admit that ideas which some Calvinists hold appear unscriptural and unscientific to us. We see no point in pretending that we agree with that with which

we do not agree, or in spending our money for anything except the spreading of our own ideas, not the ideas of others.

During the past week we have received a letter from one of the intellectuals in the Christian Reformed church in Grand Rapids, Michigan. He had received a copy of PROGRESSIVE CALVINISM, a sample mailing. He wishes that PROGRESSIVE CALVINISM be kept out of his mailbox; he recommends that we stop "squandering" our money and put it to a "constructive use," and he writes us that he is in favor of the denomination taking disciplinary action against us for slanderous statements.

When we read this letter carefully we learn that this man certainly does not love us; he wishes to have us disciplined; he accuses us of slander.

In the same mail we get this letter.

> Enclosed please find a $4 money-order being the subscription rate for the current year, and all issues of the first volume (1955).
>
> I borrowed the May, 1956 issue and am quite enthused about it — your league and publication fill a need in the Calvinistic "Camp," which commands appreciation.
>
> With best wishes for carrying out this important work, I remain . . .

Readers will note that the reaction is varied. We want all the readers that we can get. fn

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